

COUNTY EXECUTIVE'S 2008 BUDGET**DEPT:** CHILD SUPPORT ENFORCEMENT**UNIT NO.** 2430**FUND:** General - 0001**OPERATING AUTHORITY & PURPOSE**

The Department of Child Support implements and administers the Child Support Enforcement Act pursuant to Title IV-D of the Federal Social Security Act and Sections 49.22 and 59.53(5) of the Wisconsin Statutes, under contract with the State Department of Workforce Development. Title IV-D of the Federal Social Security Act applies to custodial parents receiving public assistance. Cases are referred by the Department of Health and Human Services, W-2 agencies and the Milwaukee Bureau of Child Welfare when a custodial parent or

child is eligible for any one of a variety of benefits. The Department of Child Support works cooperatively with other County departments to comply with the IV-D program mandates. Title IV-D legislation requires the Department to provide services to locate parents, establish paternity, enforce and establish child support and medical support orders. Non-W-2 custodial parents may also apply to receive the Child Support Services that are provided to IV-D eligible custodial parents.

BUDGET SUMMARY				
Account Summary	2006 Actual	2007 Budget	2008 Budget	2007/2008Change
Personal Services (w/o EFB)	\$ 7,859,519	\$ 8,712,897	\$ 6,444,121	\$ (2,268,776)
Employee Fringe Benefits (EFB)	4,476,214	7,186,815	4,694,682	(2,492,133)
Services	1,931,900	1,413,178	1,492,456	79,278
Commodities	222,989	117,834	112,741	(5,093)
Other Charges	0	0	0	0
Debt & Depreciation	0	0	0	0
Capital Outlay	896,601	16,484	0	(16,484)
Capital Contra	0	0	0	0
County Service Charges	5,193,432	5,028,370	5,964,469	936,099
Abatements	(1,611,091)	(1,598,969)	0	1,598,969
Total Expenditures	\$ 18,969,564	\$ 20,876,609	\$ 18,708,469	\$ (2,168,140)
Direct Revenue	1,217,229	1,519,604	1,354,061	(165,543)
State & Federal Revenue	18,207,274	18,444,474	14,999,716	(3,444,758)
Indirect Revenue	0	1,012,529	1,357,911	345,382
Total Revenue	\$ 19,424,503	\$ 20,976,607	\$ 17,711,688	\$ (3,264,919)
Direct Total Tax Levy	(454,939)	(99,998)	996,781	1,096,779

ADDITIONAL COSTS NOT INCLUDED IN TAX LEVY*				
Account Summary	2006 Actual	2007 Budget	2008 Budget	2007/2008Change
Central Service Allocation	\$ 232,994	\$ 202,043	\$ 0	\$ (202,043)
Courthouse Space Rental	413,568	393,126	0	(393,126)
Tech Support & Infrastructure	524,639	500,152	0	(500,152)
Distribution Services	73,105	63,768	0	(63,768)
Telecommunications	44,338	34,333	0	(34,333)
Record Center	57,280	27,201	0	(27,201)
Radio	0	0	0	0
Computer Charges	0	89,656	0	(89,656)
Applications Charges	216,759	233,236	0	(233,236)
Apps Charges - Network	0	0	0	0
Apps Charges - Mainframe	0	0	0	0
HRIS Allocation	48,412	55,454	0	(55,454)
Total Charges	\$ 1,611,095	\$ 1,598,969	\$ 0	\$ (1,598,969)
Direct Property Tax Levy	\$ (454,939)	\$ (99,998)	\$ 996,781	\$ 1,096,779
Total Property Tax Levy	\$ 1,156,156	\$ 1,498,971	\$ 996,781	\$ (502,190)

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** In 2006 and 2007, these costs were included in other charging departmental and non-departmental budgets. They were reflected here to show the "total" amount of tax levy support for this Department. In 2008, these costs are budgeted within the receiving department to show the tax levy cost in the department.

PERSONNEL SUMMARY				
	2006 Actual	2007 Budget	2008 Budget	2007/2008 Change
Personal Services (w/o EFB)	\$ 7,859,519	\$ 8,712,897	\$ 6,444,121	\$ (2,268,776)
Employee Fringe Benefits (EFB)	\$ 4,476,214	\$ 7,186,815	\$ 4,694,682	\$ (2,492,133)
Position Equivalent (Funded)*	193.1	190.8	127.1	(63.7)
% of Gross Wages Funded	95.0	99.6	97.1	(2.5)
Overtime (Dollars)**	\$ 34,633	\$ 0	\$ 0	\$ 0
Overtime (Equivalent to Position)	0.9	0.0	0.0	0.0

* For 2006 Actuals, the Position Equivalent is the budgeted amount.

** Delineated for information. (Also included in personal services.)

PERSONNEL CHANGES				
Job Title/Classification	Action	Number of Positions/ Total FTE	Division	Cost of Positions (Excluding Social Security & Fringe)
Office Support Assistant 1	Unfund	8/8.0	Child Support	(252,384)
Office Support Assistant 2	Unfund	7/7.0	Child Support	(214,522)
Clerical Assistant 1	Unfund	6/6.0	Child Support	(203,100)
Child Support Assistant	Unfund	2/2.0	Child Support	(70,438)
Fiscal Assistant 1	Unfund	8/8.0	Child Support	(274,248)
Fiscal Assistant 2	Unfund	1/1.0	Child Support	(35,826)
Child Support Coordinator	Unfund	2/2.0	Child Support	(98,814)
Child Support Supervisor	Unfund	1/1.0	Child Support	(53,859)
Child Support Specialist	Unfund	5/5.0	Child Support	(205,195)
Legal Counsel Child Support 1	Unfund	3/2.5	Child Support	(207,425)
Paralegal CS	Unfund	17/17.0	Child Support	(843,421)
ExDir2 Deputy Director CSE	Unfund	1/1.0	Child Support	(108,388)
			TOTAL	\$ (2,567,620)

This chart lists positions that the department is requesting to unfund. However, should other positions in the department become vacant before the 2008 budget process is finalized, the department may request to substitute those positions to reduce employee layoffs.

MISSION

The Department of Child Support Enforcement, through the utilization of community resources, promotes family stability by creating a better quality of life for the children of Milwaukee County.

- Efficiently and effectively adapt to the changing Federal funding landscape and the uncertainty of the State budget.

OBJECTIVES

- Promote family self-sufficiency by the administration of Wisconsin's Child Support Enforcement Program in Milwaukee County using judicial and administrative tools available.

- Maintain performance levels in all four federal performance measures with a reduced workforce. Baseline for measurement is established after the close of the Federal Fiscal Year in September 2007. The four performance areas are: Paternity Establishment, Order

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Establishment, Collection of Current Support,
Collection on Arrears

- Create and maintain a partnership with the State of Wisconsin to develop realistic policy and procedures to implement medical support order enforcement following federal guidelines.
- Scan incoming mail such as postmaster letter responses for increased access to the information and to avoid spending time processing paper.
- Ensure everyone who contacts the Department receives quality customer service, including high levels of accuracy, and short wait times.
- Actively pursue all administrative remedies for non-payment.
- Continue to cultivate relationships with community-based organizations to better serve program participants and educate the general public about Child Support services.

DEPARTMENT DESCRIPTION

The Department has four divisions: Case Management (Establishment and Enforcement), Financial, Legal and Operations.

The **Case Management Division** includes the Establishment and Enforcement areas and monitors approximately 141,000 cases annually for establishment and enforcement of child support obligations. This division responds to customer service inquiries from case participants via the telephone, e-mail, or walk-in services. In addition, the division also handles medical support orders and works with other states and tribes to establish paternity and support orders as well as enforce existing orders.

Establishment includes multiple functions including: initiation of cases, establishment of paternity, and establishment of case support orders. This area receives referrals from W-2 agencies, the Department of Health and Human Services (DHHS), individuals applying for services, Foster Care and Kinship Care providers. Initiation reviews data and schedules establishment interview appointments. Interviewing mothers and potential fathers to determine whether court action is appropriate is the

primary responsibility of establishment paralegals. Interviews take place at the Courthouse, W-2 sites and DHHS.

Enforcement monitors cases to ensure timely payment of child support orders and, if necessary, takes administrative and/or legal action to enforce payment. Staff locates parents who are delinquent in support and find income and assets that may be used to satisfy support orders. This area also monitors automated delinquency reports, sends enforcement warning letters to delinquent payers, and sends income withholding notices to employers when employment is reported by the payer, the payee, or through the Federal or State new-hire directories. Applicants for child support services automatically receive tax intercept services. The Internal Revenue Service (IRS) and the State Department of Revenue (DOR) intercept tax refunds due to support payers who have outstanding support debts. Personnel utilize all enforcement tools to collect child support arrears including: Financial Institution Data Match (FIDM), Lien Docket, and License Suspension.

The **Financial Division** is responsible for maintaining Milwaukee County family court orders on KIDS, the statewide support computer system. Personnel are charged with entering all court orders on KIDS ensuring that support payments properly pay out to the custodian as ordered.

Additionally, staff monitors reports allowing payments to flow through the case accounts and pay out in an accurate, timely manner. Staff are responsible for manually allocating payments to cases which cannot be processed automatically by pulling files and printing payment records for the courts, participants, agencies and co-workers. The division completes financial record reviews for cases that are placed upon the State Support Lien Docket.

The **Legal Division** is responsible for representing the Department of Child Support Enforcement in Family Court hearings in Milwaukee County. The division's attorneys represent the Department and the State of Wisconsin before the County's Family Court judges and Family Court commissioners. They also appear, as needed, in probate and bankruptcy proceedings affecting the Department's cases.

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The **Operations Division** provides support services to department managers, including budget preparation and payroll services.

BUDGET HIGHLIGHTS

- Personal Services expenditures without fringe benefits decrease \$2,268,776, from \$8,712,897 to \$6,444,121.
- Federal incentive revenue awarded Milwaukee County and federal matching funds continue to be the major source of support for child support enforcement operations. In 2008, the State will also contribute general purpose revenue (GPR) to maintain these operations and offset a significant loss of federal matching funds that came out of the Federal Deficit Reduction Act of 2005. The following bullets provide the basis of these supports and the 2008 budgeted levels.
- Federal Incentive Payments: The Federal Government allocates money to the State for Child Support Enforcement based upon the following measures:
 - Paternity establishment
 - Establishment of support orders
 - Collection of current support obligations
 - Collection of child support arrears
 - Cost effectiveness

All of the first \$12.34 million of the State's allocation is passed through to the county child support agencies plus 30 percent of any additional remaining balance. Milwaukee has nearly 39 percent of the state's cases and its estimated allocation for 2008 of \$3,596,989 represents approximately 29 percent of the total distribution.

- The 2008 Budget is based on the performance funds allocated by the State to county child support agencies. The Department expects to earn incentive revenue of \$3,596,989 under the terms of the State/County contract. This reflects a decrease of \$503,011 from the 2007 budgeted revenue. The performance revenue in 2008 is based on the following levels of performance standards and begins with a baseline established on September 30, 2007:
 - Maintain paternity performance.
 - Maintain current support and arrears collections.

- Maintain order establishment rate.
- Federal Matching Funds: Most administrative and enforcement costs incurred by child support enforcement agencies are eligible for reimbursement by the federal government at a 66 percent matching rate. In past years, all federal incentive revenue expended on the child support program could draw down additional federal dollars based upon the 66 percent match. Under the terms of the Federal Deficit Reduction Act of 2005, beginning on October 1, 2007, the Department no longer receives federal match for the expenditure of federal incentive revenue.
- Supplemental Incentive Revenue (GPR): During Calendar Year 2008, the State proposes to allocate \$5.5 million in GPR to county child support agencies for child support services. Milwaukee's estimated allocation of these funds for 2008 is \$1,573,881, approximately 29 percent of the total distribution. This amount is eligible for federal match in the amount of \$3,055,178.
- If during 2008 the amount of actual performance revenue exceeds the amount of budgeted revenue, the surplus is to be recorded in a special revenue account, titled Revenue from Other Governmental Units. These funds can only be expended via an appropriation transfer requiring approval of the County Executive and County Board.
- Due to the loss of federal match for expenditure on incentive revenue, 60.5 FTE are unfunded for a \$3,926,804 salary and active fringe cost savings.
- The following 10.0 FTE were unfunded in 2007 and remain unfunded in 2008: 4.0 FTE Office Support Assistant 2 positions, 1.0 FTE Clerical Assistant 1 position, 2.0 FTE Fiscal Assistant I positions, 2.0 FTE Child Support Coordinator positions, and 1.0 FTE Human Service Worker.
- In addition to position reductions, the department reduces other expenditures by 12 percent.
- GPR from the Wisconsin Department of Workforce Development (DWD) is budgeted at

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\$1,573,881. If this revenue is not realized, Child Support Enforcement would need to reduce expenditures by the amount of the unrealized revenue plus federal match during 2008 to meet the department budget. This includes the possibility of additional personnel reductions (these reductions are in addition to the 60.5 positions already included in the Personnel Changes table to be unfunded).

- The crosscharges to the Child Support program from the Family Court Commissioner, District Attorney and Clerk of Circuit Court are limited to the 66 percent federal revenue offset. The remaining 34 percent is charged back to Combined Court Related Operations in the amount of \$1,357,911.

The following table details the crosscharges Child Support receives from the serving departments in 2008:

	2007 Budget	2008 Budget	2007/2008 Change
Family Court Commissioner	\$1,985,027	\$2,529,086	\$ 544,059
Clerk of Court	989,721	1,460,646	470,925
District Attorney	148,937	157,825	8,888
TOTAL	\$3,123,685	\$4,147,557	\$ 1,023,872

- The Department is increasing the fee it charges on non-IVD cases to produce Income Withholding Notices from \$25 to \$35, raising revenue from this source from \$25,000 budgeted in 2007 to \$35,000 in 2008.
- Beginning in 2008, the Department will charge a \$10 fee to parties who request that notice of a court date be sent to the other party in non-IVD matters. Anticipated revenue from this fee is \$24,000 for 2008.
- Beginning in 2008, the Department will begin charging a \$10 fee to parties who request duplicate copies of lien release or satisfactions and a \$5 fee to parties who request duplicate motion packets. Anticipated revenue from these fees is \$7,600.
- The Department anticipates revenue in the amount of \$25,000 in 2008 from its participation

in the County's Tax Refund Intercept Program (TRIP). Fees and costs owed to the County on non-IVD cases will be submitted for collection.

- The Department is increasing the fee it charges for payment histories from \$5 to \$15, raising revenue from this source by \$40,000.
- The Department will continue the cooperative agreement to provide telephone customer service for child support in Racine County. The Call Center program began in 2006 as a pilot project and has been successful. For 2008, revenue is budgeted at \$65,000, a \$40,000 increase from 2007. In addition, the department is currently marketing this service to other counties.
- The cost of one (1.0 FTE) Economic Support Specialist (ESS) is again crosscharged to Child Support from DHHS to reflect the role of a dedicated ESS worker on cases in which Income Maintenance and Child Support issues intersect. Through this initiative, both departments can improve their performance standards by enhancing the accuracy of the data maintained in the KIDS database.
- Departments have the authority to fill unfunded positions provided they do not incur a salary deficit.
- ECP positions are not provided step increases or performance awards in 2008 as allowed in County Ordinance Section 17.265 (3).
- The abatement of Countywide crosscharges is discontinued in 2008. The tax levy previously held in the servicing department is redistributed to the recipient departments in an amount corresponding to the crosscharges. This results in a tax levy redistribution equal to the change in abatements. Due primarily to this change in methodology, direct tax levy for this department increased \$1,096,779. The actual change in tax levy for this department from 2007 is a decrease of \$502,190.
- All departments are required to operate within their expenditure appropriations and their overall budgets. Pursuant to Section 59.60(12), Wisconsin Statutes, "No payment may be authorized or made and no obligation incurred

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against the county unless the county has sufficient appropriations for payment. No payment may be made or obligation incurred against an appropriation unless the director first certifies that a sufficient unencumbered balance is or will be available in the appropriation to make the payment or to meet the obligation when it becomes due and payable. An obligation

incurred and an authorization of payment in violation of this subsection is void. A county officer who knowingly violates this subsection is jointly and severely liable to the county for the full amount paid. A county employee who knowingly violates this subsection may be removed for cause."